

Prologis Announces Fourth Quarter and Full-Year 2018 Activity in Europe

2018 highlights:

- *Year-end occupancy at historic high of 98 percent*
- *3,06 million square metres of total leasing activity*
- *1,85 million square metres of building and land acquisitions*
- *918,076 square metres of development starts; 47.6 percent leased*

AMSTERDAM (22 January 2019) – Prologis, Inc., the global leader in logistics real estate, today announced fourth quarter and full year 2018 activity in Europe.

Operating Performance

The company signed 205,059 square metres of new leases and 385,501 square metres of lease renewals. For the full-year 2018, total leasing activity comprised 3.06 million square metres, an expected decrease.

Notable new leases in the fourth quarter included:

- 20,150 square metres for Maurice Ward Group at Prologis Park Pilsen II, the Czech Republic
- 25,707 square metres for ID Logistics at Prologis Park Clesud, France
- 21,869 square metres for Transport International Transmec at Isle D’Abeau, France
- 15,986 square metres for Picnic at Prologis Park Eemhaven, the Netherlands
- 10,339 square metres for an automotive giant at Prologis Park Munich Neufahrn, Germany

“Our portfolio has never been in better shape,” said Ben Bannatyne, president, Prologis Europe. “Demand is healthy, and we finalized our multi-year disposition program ahead of schedule, redeploying those proceeds into development. Now, our focus is on capitalizing on rent growth and the tremendous benefits that come from our scale, including an intense focus on customer service that centers on solving our customers’ pain points and elevates our relationships with them.”

Capital Deployment

In the fourth quarter, the company started 12 new developments in the Czech Republic, France, Italy, the Netherlands, Slovakia and the United Kingdom totalling 287,783 square metres; 31.1 percent was build-to-suit and 68.9 percent was speculative.

For full-year 2018, Prologis started 15 build-to-suit and 22 speculative projects with a combined total of 918,076 square metres, of which 47.6 percent is pre-leased.

Development starts in the fourth quarter included:

- 49,700 square metre speculative build at Prologis Park Dirft III, United Kingdom
- 39,400 square metre speculative build at Prologis Park Brno, the Czech Republic
- 30,176 square metre BTS expansion at Prologis Park Tilburg, the Netherlands
- 22,084 square metre speculative build at Prologis Park Siziano, Italy

“Supply in the fourth quarter was healthy and in line with the strength of immediate demand which, together with continued low vacancy rates, allowed for a disciplined increase in speculative building,” adds Ben Bannatyne, president, Prologis Europe. “Market conditions remain very good as demand is diverse and broad-based, while supply remains disciplined. Our strongest markets include the Germany, the Netherlands, Czech Republic, Italy, Spain, Hungary, and Sweden in order of net operating income.”

Additional Activity

Prologis acquired six buildings in the Netherlands, Spain, Sweden and the UK in the quarter with a total of 105,367 square metres and six land plots in the Czech Republic, France, Italy and the Netherlands with a net rentable area of 218,323 square metres. Full-year 2018 building acquisitions totalled 157,663 square metres and land of 1,7 million square metres.

Dispositions comprised 57 buildings totalling 1,06 million square metres in Germany, France, Hungary, Italy, the Netherlands and Spain. The company also sold nine land parcels in France, Italy, Hungary and Poland with a net rentable area of 780,698 square metres. Full-year 2018 building dispositions totalled 1,75 million square metres and land sales comprised of 1,38 million square metres.

At quarter-end, the company owned or had investments in, on a wholly-owned basis or through co-investment ventures, properties and development projects totalling 16.3 million square metres in Europe.

ABOUT PROLOGIS

Prologis, Inc. is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of December 31, 2018, the company owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 768 million square feet (71 million square meters) in 19 countries. Prologis leases modern distribution facilities to a diverse base of approximately 5,100 customers across two major categories: business-to-business and retail/online fulfilment.

FORWARD-LOOKING STATEMENTS

The statements in this document that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which we operate as well as management’s beliefs and assumptions. Such statements involve uncertainties that could significantly impact our financial results. Words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” and variations of such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to rent and occupancy growth, development activity and changes in sales or contribution volume of properties, disposition activity, general conditions in the geographic areas where we operate, our debt, capital structure and financial position, our ability to form new co-investment ventures and the availability of capital in existing or new co-investment ventures — are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we

believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust status, tax structuring and income tax rates (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments in our co-investment ventures, including our ability to establish new co-investment ventures and funds, (viii) risks of doing business internationally, including currency risks, (ix) environmental uncertainties, including risks of natural disasters, and (x) those additional factors discussed in reports filed with the Securities and Exchange Commission by us under the heading "Risk Factors." We undertake no duty to update any forward-looking statements appearing in this document.

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